Tips for Selling with:

Agritourism and "Pick-Your-Own"

key point

Agritourism combines agricultural sales with on-farm activities that involve the customers. These can include hayrides, mazes, pumpkin patches, farm tours, a bed and breakfast, or other endeavors.

"Pick-your-own" or "you-pick" operations allow customers to wander out into the fields or orchards to pick their own apples, berries, pumpkins, or other crops. Customers check in at the farmstand when finished and pay by weight or volume. This can be a fun activity, especially for kids, and can sometimes allow customers to get larger volumes at lower prices.

For this market you can expect:

- Lower volume of product
- Higher prices per unit











Advantages

- Good way to attract customers willing to pay for an educational and engaging experience.
- Good way to diversify your farm business.
- Good way to advertise your farm and your other enterprises.
- Opportunity to educate the next generation about agriculture and rural communities.
- On-farm stores are an ideal venue to sell valueadded products, such as jams, baked goods, etc.

Photo: Tammy Hinman, NCAT

Considerations

- You may have less privacy. People will be walking around your farm.
- You should be prepared to interact with a wide range of people.
- You will need to focus not just on production, but on creating an attractive and safe customer experience.
- You will need customer facilities, such as bathrooms and hand washing sinks.
- You may need additional insurance beyond a farm liability policy.
- Agritourism enterprises do best when located on a busy road or near a population center.
- In pick-your-own operations, farmers may be expected to offer a discounted price for high-value crops.





Agritourism Tips



- Have "something to see, something to do, something to buy."
- Feature children's activities such as petting zoos, pumpkin picking, arts and crafts, or picking out a Christmas tree with the family.
- An internet presence can help advertise your operation, its location, what it has to offer, and times of operation.
- Provide adequate parking, restrooms, and signage.
- Consider hosting a festival focused on a particular farm product or activity, such as a lavender festival, harvest festival, planting celebration, etc.
- Check with your chamber of commerce or economic development office to connect to local or regional tourism promotion.
- Be prepared for folks who trip and fall, and absolutely carry at least \$2 million in liability insurance.

Key Questions to Ask Yourself

- Do I like entertaining and having people at my farm?
- Can I keep my farm tidy and hazard free?
- Is my farm located on a road with enough traffic or close enough to a busy population center to generate customers?
- Can I put up sufficient signage to alert drivers and give them time and space to pull off the road?
- Do I have space for parking?
- What permits and extra insurance do I need?

Agritourism Resources

- ATTRA Publications. Prices vary for individual publications, many are free. An inexpensive subscription to ATTRA will give you access to all 350+ publications and databases. www.attra.ncat.org

 Entertainment Farming and Agritourism: Business Management Guide (2004)
- California Agritourism Directory shows agritourism operations in the state, searchable by county. The directory provides detailed contact information and farmers can add their farms to the list. www.calagtour.org
- Local Harvest website lists and describes all kinds of farms that sell direct to the public. Browsing here will give you a good sense of what farmers across the country are doing. The website currently has about 800 listings nationwide for Pick-Your-Own farms—mostly for small fruits. www.localharvest.org
- East Coast Agritourism 2010 webinar series. www.ncsu.edu/tourismextension/programs/webinars.php
- National Agricultural Law Center compiles information about specific agricultural and food law topics. www.nationalaglawcenter.org/readingrooms/agritourism and www.nationalaglawcenter.org/research
- UC Small Farm Program: Agritourism (2010) website provides links to California case studies. http://sfp.ucdavis.edu/agritourism
- Agritourism: A Web-Based Resource for Farmers is a network based at the University of Vermont that offers
 many links, webinars and nationwide research papers about agritourism, including Agricultural Diversification
 and Agritourism: Critical Success Factors. www.uvm.edu/tourismresearch/agritourism
- North American Farmers' Direct Marketing Association promotes direct marketing, agritourism. www.nafdma.com

 This tip sheet was developed with assistance from Dina Izzo, Bludog Organic Produce Services.

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.gov/oasdfr



Tips for Selling with: Agritourism and "Pick-Your-Own" © 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 429, Slot 427, Version 122612

Tips for Selling through:

CSAs — Community Supported Agriculture

For this market you can expect:

CSA is a system of direct marketing where consumers pay the farmer at the beginning of the growing season for a weekly box of fresh fruits and vegetables. A CSA "share" is harvested and delivered to customers over a period of several months. CSAs may include meat, grain, flowers, or value-added products such as bread or cheese, in addition to fresh produce.

A core philosophy of the CSA model is that customers (or "members") truly support their local CSA farm by sharing the risk each season. This means that even if there's a bad harvest, the members still pay the same amount for the season. Members are willing to do this to ensure that "their" farm survives over time as a healthy food source and connection to the land for the local community. A CSA farm has the opportunity to cultivate a very loyal customer base.

• Lower volume of product

Higher prices per unit



key point

-\$ -\$

Advantages

- Customers pay up front, which generates operating capital.
- The major marketing push is completed before the season starts, leaving more time to farm during the growing season.
- CSAs can build loyal customers who may be willing to share the risks of farming.
 Farmers must earn that loyalty by growing high quality products.
- No standard pack or grading is required.



Serendipity Farm. Photo: www.serendipity-organic-farm.com

CSAs require thoughtful planning to maintain a continuous supply of crops.

Considerations

- Packing is labor-intensive because of the wide variety in the weekly box.
- CSAs require an extensive post-harvest handling set-up for washing, sorting, packing, etc.

Tips

- Build community through efforts such as harvest parties, work days, and newsletters.
- Conduct annual surveys to get customer feedback on quality, variety and service.
- Consider collaborating with other CSA farms if you want to offer a wider selection.





Key Questions to Ask Yourself about CSAs



- Timing and planning are critical in a CSA. How will I ensure consistent weekly harvests of a variety of vegetables and fruits for my CSA customers? See ATTRA's "Scheduling Vegetable Plantings for a Continuous Harvest."
- How many other CSA farms are in my area? Do they have waiting lists—unmet demand that I could tap into?
- Will I enjoy the social aspects of running a CSA, such as hosting festive gatherings or work days for members, writing newsletters to include in weekly boxes, and generally creating opportunities for people to get to know the farm?

ATTRA Publications

- Prices vary for individual publications, many are free. An inexpensive subscription to ATTRA will give you access to all 350+ publications and databases. www.attra.ncat.org
 - Market Gardening: A Start-Up Guide (2009)
 - Scheduling Vegetable Plantings for Continuous Harvest (2008)
 - Season Extension Techniques for Market Gardeners (2005)
 - Community Supported Agriculture (2006)



Books and Guides

 Sharing the Harvest: A Citizen's Guide to Community Packing CSA boxes, Full Belly Farm, Guinda, Calif. Photo: Rex Dufour, NCAT Supported Agriculture by Elizabeth Henderson with Robin Van En. Chelsea Green Publishing, 2nd edition, 2007. \$35. This 300-page book provides valuable insight into making CSA a viable economic model as well as an excellent arrangement for farmers and food lovers alike. It provides information on starting a CSA and how to strengthen existing CSA operations.

- Community Supported Agriculture. University of Nebraska–Lincoln, Institute of Agriculture and Natural Resources, 2000. 4pp. www.ianrpubs.unl.edu/epublic/pages/index.jsp?what=publicationD&publicationId=11
- Community Supported Agriculture by Matt Ernst and Tim Woods. University of Kentucky College of Agriculture, New Crops Opportunity Center. 3pp. www.uky.edu/Aq/NewCrops/marketing/csa.pdf

CSA Software

- Farmigo is a computer software subscription service that provides recordkeeping and membership management. It costs 2% of gross sales from the CSA or farm. www.farmigo.com
- CSA Toolbox is an online "toolbox" that offers programs to communicate with your customers, do your paperwork, handle your billing, and take payments. www.csatoolbox.com
- CSAware is a customizable, user-friendly Community Supported Agriculture software from LocalHarvest.com designed for CSAs with lots of moving parts. The cost is 2% of sales. www.csaware.com

Recursos en Español

 La Agricultura Apoyado por la Comunidad (CSA): Una quía de entrenamiento para el ranchero de CSA nuevo o prospectivo. Producido por CSA-MI. www.csafarms.org/downloads/csa manual spanishpdf.pdf

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.aov/oasdfr



Tips for Selling Through: CSAs — Community Supported Agriculture © 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman, NCAT Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 422, Slot 415, Version 122612

Tips for Selling at: Farmers Markets

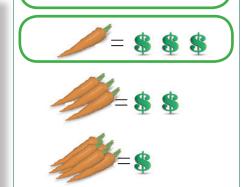
Farmers markets are temporary retail establishments typically held outdoors, where farmers come to sell their produce at a specified place and time. Farmers markets are growing in popularity across the country and can be a good entry-level selling place for beginning farmers.

Advantages

- You may receive more money per unit, since you sell directly to customers.
- You generally have flexibility in the variety and volume of products you take to market.
- No standard pack or grade is required, but your produce should be good quality.
- Direct contact allows you to find out what your customers want.
- You have the opportunity to build a loyal customer base, including local chefs.

For this market you can expect:

- Lower volume of product
- Higher prices per unit



Considerations

- The volume of sales will vary with the popularity of the market. Think about how to incorporate deliveries to other outlets in the area to increase your sales and efficiency.
- Labor costs can be relatively high (time and travel to and from market, time away from the farm).
- If you sell at several farmers markets, schedules can be demanding.
- To sell at popular farmers markets, it helps to have unique products.
- Being successful requires positive interactions with the public.
- Most farmers markets have an application process and rules to participate. For example, in California you must register as a "certified grower" with the county agriculture commissioner before selling at a certified farmers market.



Photo: Rex Dufour, NCAT





Tips for Selling at Farmers Markets



- Have an attractive product mix and clear signs for your market stand.
- Ensure that you have a consistent supply of popular products.
- Consider providing samples of your product if local regulations permit.
- Set up a service system where customers do not have to wait too long in line.
- Invest in a scale that not only calculates weight but also gives you the sales price.
 A calculator that prints on a paper tape is another useful tool.
- Visit markets seasonally to figure out what's missing from your market that you could supply.
- Extend your season for popular products before or after the main season.
 This can increase your sales and attract new customers to your market stand.

Key Questions to Ask Yourself

- Do I enjoy working with the public? If not, can I hire someone friendly and competent for my booth?
- Where are the nearest farmers markets? Are they accepting new vendors?
- Do these farmers markets have enough customers to make it profitable for new vendors?
- What are the other vendors selling? What's my niche?
- How much time will I spend at the market? How early will my day start and end? Am I willing to do this each week?
- What is the application process for the farmers market? What are the rules?
 For example, can I sell products I have not grown?

Resources

ATTRA Publications

Prices vary for individual publications. Many are free. An inexpensive subscription will give you access to all 350+ publications and databases. www.attra.ncat.org

- Scheduling Vegetable Plantings for Continuous Harvest (2008)
- Season Extension Techniques for Market Gardeners (2005)
- Postharvest Handling of Fruits and Vegetables (2000)
- Find a Farmers Market by searching the USDA's online directory: http://apps.ams.usda.gov/FarmersMarkets



Photo: Rex Dufour, NCAT

- Growing For Market magazine offers the free issue, "Selling at Farmers Markets:" www.growingformarket.com/categories/SellingAtFarmersMarkets
- Local Harvest website is a nationwide directory of small farms, farmers markets, and other local food sources.
 The site helps consumers buy what they want directly from the farmers and ranchers who produce it.
 www.localharvest.org

This tip sheet was developed with assistance from Dina Izzo, Bludog Organic Produce Services.

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.gov/oasdfr



Tips for Selling at: Farmers Markets

© 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman, NCAT Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 423, Slot 417, Version 122612

Tips for Selling at: Roadside Stands

Roadside stands are physical structures located on a farm or along a nearby road where farmers sell produce, meat, eggs, dairy, or other products from the farm. The stands can be as simple as a small open-sided display with payment on the honor system, or as elaborate as a small grocery store.

key point

Advantages

- You have potential for high profit margins because you sell directly to customers.
- You have low advertising costs, since you just need a few signs.
- You may have low overhead costs, depending on how elaborate the structure is. Some farm stands are very simple, even unstaffed, running on the honor system, where customers leave money in a secure container.
- You have no transport costs.
- No standard pack or grade is required.

For this market you can expect:

- Lower volume of product
- Higher price per unit







Considerations

- Location is critical. Good locations have high traffic and high visibility, with proximity to other businesses, easy parking or turn-off lanes for customers, etc.
- Signs should be easy to see, giving drivers plenty of time to slow down and pull over to park.
- Make sure that local zoning ordinances allow roadside markets. Check with other roadside vendors about where to obtain permits.
- You could have high overhead expenses to develop, operate and staff the facility.
- If your roadside stand is large and includes products not grown on your farm, you may need commercial business insurance in addition to a comprehensive farm liability policy.
- The farm must be kept tidy, clean and hazard-free.
- You need to understand health regulations about selling processed or "value-added" products. Contact your state or local health departments for details.



Photo: Rex Dufour, NCAT





Key Questions to Ask Yourself



- Does my location get enough traffic to generate customers? Do I have space for parking?

 Can I put up sufficient signs to alert drivers and give them time and room to pull off the road?
- What hours and staffing would I need in order to run the stand effectively?
- What licenses, permits or zoning ordinances do I need to be aware of?
 Contact the state department of agriculture to find out.

Resources

- ATTRA Website. Many relevant publications and resources are offered here, such as "Entertainment Farming and Agri-Tourism." Prices vary for individual publications. Many are free. An inexpensive subscription to ATTRA will give you access to all 350+ publications and databases. www.attra.ncat.org
- **Developing a Roadside Farm Market** (2006). Agricultural Alternatives, Pennsylvania State University. 6 pp. This is a good overview of what farmers should consider when setting up a roadside stand.

http://agalternatives.aers.psu.edu/Publications/roadside farm.pdf

- Farmstand Regulations Expand Options.
 University of California Small Farms program.
 This website provides updated, California-specific information about farmstand regulations.
 http://sfp.ucdavis.edu/agritourism/farmstands.html
- Roadside Stand Marketing of Fruits and Vegetables.
 This 40-page publication offers a wealth of information about marketing considerations, the shopping habits of roadside-stand customers, pricing, store layout, marketing tactics, impulse buying, popular fresh products, etc.

www.caed.uga.edu/publications/2002/pdf/CR-02-09.pdf



Photo: Rex Dufour, NCAT

- Roadside Markets, Stands, and Equipment.
 Penn State offers these detailed design plans for four different sizes of roadside stands as well as a walk-in cooler.
 http://agmarketing.extension.psu.edu/Retail/PDFs/IP790-33.pdf
- The Legal Guide for Direct Farm Marketing by Neil Hamilton. 1999. 235 pp spiralbound. \$20.00 to \$24.00. Before selling their products directly to consumers, all farmers should consider these important issues. Learn about legal considerations behind farmers' markets, business organization, contracts, food stamps, advertising and marketing, land use and property law, labor and employment, insurance and liability, food processing, and marketing meat, poultry, eggs, and dairy products.
- Facilities for Roadside Markets. Natural Resource, Agriculture and Education Service. 1992. 32 pp. \$8.00. Valuable for persons considering a roadside market or looking to improve or expand a current one. Chapters cover site considerations (visibility and accessibility, utilities, drainage, zoning, and building ordinances); market layout (areas for sales, preparation, shipping and receiving); market structure and facilities (parking, lighting, fire protection, security). Includes illustrations and plans. www.nraes.org/nra_order.taf?_function=detail&pr_booknum=nraes-52

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.gov/oasdfr



Tips for Selling at: Roadside Stands

© 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman, NCAT Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 426, Slot 423, Version 122612

Tips for Selling on: The Internet

The Internet is a communication and marketing tool that can provide exposure to a large number of potential customers. The Internet can be used to advertise your farm with pictures and maps, take orders online, show product availability, keep in touch with your existing customers, and support other ways of selling, such as CSAs or farmers markets. Farmers can have an Internet presence through their own website or by using a website run by a third party.

Advantages

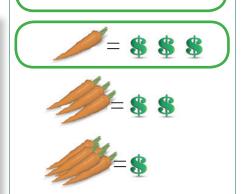
- key point
- You can let a lot of people know about your farm, its history, product line, and location.
- You save time marketing and selling, since your website or web presence is always available to customers.
- A basic website can be developed with minimal instruction.
- Third-party websites can be used to provide web presence with minimal investment of your time or resources.

Considerations

- There is less personal connection between customer and producer over the Internet.
- An Internet presence requires regular maintenance.
- The Internet can be used to take and process orders, but this requires a more sophisticated website than one that simply advertises your farm and products.
- Know your closest, least expensive, most reliable shipping options. Can they ship cold?
- Make sure you calculate the cost of all your packing materials into the cost of your products. Be aware of your customers' packing material preferences.
- Make sure you take into consideration how shipping is compensated. Is it included in the sale of goods, or do customers pay for shipping separately?

For this market you can expect:

- Lower volume of product
- Higher price per unit





The website of Full Belly Farm, Guinda, Calif., gives details about their products, markets, CSA, staff, events, and more. www.fullbelly.com

Key Questions to Ask Yourself

- What is my experience and comfort level with computers? If it is limited, who can help me with my computer and Internet work on a regular (weekly) or as-needed basis?
- How will I keep my site or web presence up to date in order to keep attracting customers to it?
- How much time will it take to maintain an electronic list of customers for e-newsletters and updates?
- Whow might Internet marketing fit with, and perhaps support, other marketing channels, such as CSA, agritourism and institutional markets?





Tips for Selling on the Internet



- Outline your goals for your farm's Internet presence. This process will allow you to determine what resources (labor, expertise, software, hardware) you need to support these goals.
- Make your website easy to use and easy to find. Ask for feedback from friends and customers.
- Select a website address ("domain name") that is short, meaningful, easy to spell, and easy to remember.
- Diversify your marketing strategies. Don't rely on your website as your only marketing channel or tool for your business.
- Consider using Facebook and Twitter to connect with a large number of potential customers.
- Keep a blog and use other social media to keep customers interested in what is happening on your farm.
- Guide people to your site.
 - Create and trade links to related websites.
 - List your web address in Buy Fresh Buy Local and other farm guides.
 - Use an e-newsletter that links to your website.
 - Put your website and email address on all your farm's printed material.
 - Sign up with websites that point to local produce such as www.localharvest.org.

Resources

- Buy Fresh Buy Local chapters promote locally produced food. See a nearby chapter to find potential customers for your farm products and to learn more about local and Internet marketing. www.foodroutes.org
- **Foodzie** helps small food producers and farmers across the U.S. reach new customers and connect directly to customers searching for foods and gifts. Cost of using this service is tied to product sales. **www.foodzie.com**
- Local Harvest is a nationwide directory of small farms, farmers markets, and other local food sources. The site helps consumers buy what they want directly from the farmers and ranchers who produce it. www.localharvest.org
- **CSAware** is a customizable, user-friendly Community Supported Agriculture software program. It allows your CSA members to sign up for your program online, let you know when they'll be out of town, and order any special items you offer. As the administrator, you can see and manage all of that information, set what goes into the boxes each week, manage your drop-off site information, email some or all of your members, print out harvest lists, box labels, and member sign-in sheets, and perform other functions. **www.csaware.com**
- Small Farm Central was started by an ex-farmer who ran a CSA. The company provides, for a price, support to farmers to develop their own website as part of their marketing strategy. They offer a free trial as well as variable rates and levels of support service to help you develop and maintain your website. The site also provides member management services to CSAs and allows farmers to sell products on their website. www.smallfarmcentral.com
- Internet Marketing for Farmers. http://king.wsu.edu/foodandfarms/documents/internetMrkt.pdf
- How to Direct Market Farm Products on the Internet (a 50-page pdf download) is an excellent guide to developing internet marketing goals, doing research on internet consumers, setting up and marketing a website, and using the experience of a variety of farmers who use the internet to support their sales. Good resources section with links to relevant software, articles and publications. http://agmarketing.extension.psu.edu/retail/howdrctmrktoninternet.html

This tip sheet was developed with assistance from Dina Izzo, Bludog Organic Produce Services.

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.gov/oasdfr



Tips for Selling on: The Internet

© 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman

Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 428, Slot 426, Version 122612

Tips for Selling to: Restaurants

key point

Restaurants are businesses that provide full meals and drinks, and try to offer a unique atmosphere and menu for customers. Some restaurants, especially locally owned ones, now want to feature dishes using local produce. This presents a good marketing opportunity for farmers to sell to them directly.

Advantages

• Chefs value fresh, high-quality products.

Considerations

- Expect small order size and frequent delivery.
- Chefs value top quality produce.
- It's important to provide the buyer with a weekly availability list.
- Chefs may require a consistent supply of particular items.

For this market you can expect:

- Low-to-medium volume of product
- Higher prices per unit













Tips

- Be consistent. Chefs expect a product will be delivered if they put it on the menu.
- Build a relationship with the entire staff.
 Chefs move frequently.
- Chefs are on a tight schedule and generally require deliveries when they're not busy, such as before 10 a.m. or between 2 and 5 p.m.
- Introduce new products by dropping off free samples with your regular deliveries.
- Fax or email a list of available products for the chef to order from.
- Use the chefs as your best source of market information. They may know what the next big thing is before you do.
- Know how the chef is using your product and be prepared to talk about other ways to use it.
- In the autumn, ask the chefs what products they want you to grow next season.
- Ask about each restaurant's needs, including pack, size, variety, post-harvest preferences, new items, and how they would like to place orders (by fax, phone text message, or email).



Photo: Tammy Hinman, NCAT.







Key Questions to Ask Yourself

- How far in advance do the chefs need to see an accurate schedule of product availability in order to allow them to plan their menus?
- What restaurants are the best fit for my product profile? Ethnic restaurants, specialty bakeries, high-end gourmet restaurants?
- What production, handling, storage, and delivery methods will I use to ensure the freshest and highest quality products to high-end chefs? Highlight these in outreach to chefs.
- How frequently and quickly am I able to deliver to restaurants?
 What are the chef's expectations about this?
- How do the restaurants want to communicate with me? Cell phone, email, text message, fax?

Resources for Selling to Restaurants

ATTRA Publications

Prices vary for individual publications. Many are free. An inexpensive subscription to ATTRA will give you access to all 350+ publications and databases. www.attra.ncat.org

- Selling to Restaurants (2004)
- New Markets for Your Crops (2008) (also available in Spanish)
- Scheduling Vegetable Plantings for Continuous Harvest (2008)
- Season Extension Techniques for Market Gardeners (2005)
- Postharvest Handling of Fruits and Vegetables (2000)
- Illustrated Guide to Growing Safe Produce on Your Farm: GAPs (2011) (also available in Spanish)
- Chefs Collaborative works with chefs and the greater food community, including farmers, to celebrate local foods and foster a more sustainable food supply. www.chefscollaborative.org
- Selling Directly to Restaurants and Grocery Stores.
 Washington State Department of Agriculture. 2010.
 http://agr.wa.gov/Marketing/SmallFarm/DOCS/
 3-sellingDirectlyToRestaurantsAndGroceryStores.pdf



Photo: Markristo Farm.

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.gov/oasdfr



Tips for Selling to: Restaurants

© 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman, NCAT Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 425, Slot 421, Version 122612

Tips for Selling to: Grocery Stores

Grocery stores typically buy large volumes of fresh and processed foods as well as other household items, reselling their products to individual consumers. Grocery stores are appealing because they sell everything customers need at one convenient place. Depending on the size of the town, these stores may have more than one location. Very large grocery chains operate stores across broad regions of the country. Many grocery stores are now interested in selling products grown by local farmers.

Advantages

- You may be able to sell larger volumes.
- The store may buy a range of products once you have introduced your first product.
- There is potential for a long-term relationship with the store, especially if you build a brand identity for your farm.

Considerations

- Liability insurance that covers claims of up to at least \$1 million is required.
- The first sale may be difficult because grocery stores have a limited amount of shelf space, already have regular suppliers, and may prefer to buy from fewer suppliers.
- Payment generally occurs on a 15-to-30 day cycle.
- Standard packing and post-harvest practices are required. Produce should be delivered clean and cold.
- Grocery stores may require a PLU (Price Look-Up number) or UPC code (Universal Product Code, represented by a barcode).
- Some grocery stores may require a food safety plan.

For this market you can expect:

- Medium-to-high volume of product
- · Lower prices per unit

















Photo: Rex Dufour, NCAT





Tips for Selling to Grocery Stores



- Be professional, reliable, and on time when communicating and delivering products.
- Visit or call the store and ask for an appointment with the produce buyer before the season begins. Bring your crop plan or product list for the full season, and a price list. Show visuals for the upcoming crops photos of trees in bloom, what the fruit looks like, testimonials, brix readings. If you have something to sample, bring it to show your quality and pack.
- Always bring two copies of an invoice, one for your customer and one for you. Both copies should be signed at the time of delivery, providing proof that quality and quantity are accurate.
- Build relationships with everyone who handles your product.
- Ask about and follow the store's expectations for pack, size, grade, or post-harvest practices.
- Communicate with buyers often throughout the course of the week to keep them updated on your product quality and quantity.
- Plan your plantings for continuous harvest and adequate volume to supply expected demand from store.
- Get the store's produce team enamored with your farm by educating them about your products. Give them samples to take home and maybe provide recipes.
- Offer to provide farm tours, pictures of your farm for display, and in-store demos of your products with recipes and descriptions.

Key Questions to Ask Yourself

- What products do local grocery stores want that I could supply, including specialty ethnic foods?
- Does a particular chain have an interest in purchasing locally?
- What is my plan to ensure a consistent supply of a few key products over a period of several weeks?
- Do I have a Good Agricultural Practices (GAPs) plan? Does this buyer require it?

Resources

- ATTRA Publications. Prices vary for individual publications. Many are free. An inexpensive subscription to ATTRA will give you access to all 400+ publications and databases. www.attra.ncat.org
 - Sustainable Season Extension: Considerations for Design (2011) Postharvest Handling of Fruits and Vegetables (2000) *Available in Spanish or English:* Season Extension Techniques for Market Gardeners (2005)
 - Illustrated Guide to Growing Safe Produce on Your Farm: GAPs (2011)
 - Scheduling Vegetable Plantings for Continuous Harvest (2008)
- Selling Directly to Restaurants and Grocery Stores, Washington State Department of Agriculture, 2010. http://agr.wa.gov/Marketing/SmallFarm/DOCS/3-sellingDirectlyToRestaurantsAndGroceryStores.pdf
- "A Guide for Farms Considering Selling in Grocery Stores" and "Is Selling to Grocery Stores Profitable
 for Farms or Processors?" from the Local Fare website of the University of Wisconsin, Platteville.
 www.uwplatt.edu/cont_ed/LocalFare/links-resources.html
- See advertised prices of last week's produce nationwide and by region at www.marketnews.usda.gov/portal/fv
- Price Look-up numbers (PLUs): a complete list is available at www.plucodes.com
- Rodale Institute Organic Price Report shows prices of fruit, vegetables and grains for six different wholesale terminals
 across the U.S. www.rodaleinstitute.org/Organic-Price-Report
- Wall Street Journal article explains why and how to obtain UPC codes, including costs and alternatives.
 http://guides.wsj.com/small-business/starting-a-business/how-to-get-upc-codes-for-your-products-2

This tip sheet was developed with assistance from Dina Izzo, Bludog Organic Produce Services.

The development of this material was supported through USDA/NIFA/OASDFR www.outreach.usda.gov/oasdfr



Tips for Selling to: Grocery Stores

© 2012 National Center for Appropriate Technology—NCAT By Marisa Alcorta, Rex Dufour and Tammy Hinman, NCAT Production: Karen Van Epen

This publication is available on the Internet at www.attra.ncat.org IP 424, Slot 419, Version 122612